

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER	<input type="checkbox"/>	DATE	<u>January 11, 2017</u>
MOTOR CARRIER MATTER	<input type="checkbox"/>	DOCKET NO.	<u>2013-276-E</u>
UTILITIES MATTER	<input checked="" type="checkbox"/>	ORDER NO.	<u>2017-39</u>

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

DOCKET NO. 2013-276-E - Petition of South Carolina Electric & Gas Company for an Accounting Order Related to the Retirement of the Canadys Units - Staff Presents for Commission Consideration South Carolina Electric & Gas Company's Request to Extend Commission Order No. 2013-649.

COMMISSION ACTION:

Grant the request of South Carolina Electric & Gas Company (SCE&G) to extend Commission Order No. 2013-649 which will allow the Company to defer and record as a regulatory asset capacity charges associated with a Power Purchase Agreement (PPA) with Columbia Energy LLC and to continue to amortize the deferred capacity payments in a levelized amount until the deferred amounts are fully amortized. The existing PPAs with Southern Company and Calpine subject to Order No. 2013-649 expired at the end of December 2016. Due to the retirement of Canadys Units #2 and #3 in 2013 and the delay in the completion dates of Summer Units #2 and #3, SCE&G needed additional capacity and entered into a PPA with Columbia Energy LLC which will expire on December 31, 2019. Capacity charges resulting from the PPA with Columbia Energy LLC are expected to total approximately \$63.7 million over the three-year contract period. The deferred capacity charges in a levelized amount of approximately \$10.8 million annually shall continue to be amortized until the deferred amounts are fully amortized. There will be no impact on the company's current rates and charges. No party will be precluded from addressing the reasonableness of these charges in a subsequent general rate proceeding.

PRESIDING:
HAMILTON

SESSION: Regular

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER
ELAM	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HALL	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WHITFIELD	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

(SEAL)

RECORDED BY: J. Schmieding

